

Rhode Island Housing Resources Commission
Minutes of June 24, 2011
Quarterly Meeting



Commissioners & Designees:

Cola, Jeanne – Chair

Bodington, Susan
Botts, Christine
Fenton, William
Flynn, Kevin
Hannifan, Chris
Kiesel, Marilyn
McGunagle, Joanne

Reed, James
Sekeres, Bonnie
Simon, Peter; Representing Novas, Ana
Taylor, Catherine
Valliere, Albert
Zaslow, Carrie

Staff:

Frumerie, Caitlin
House, June
Kimes, Charles
Kue, Simon

Neirinckx, Ray
Price, Darlene
Tondra, Michael
Vittorioso, Dawn

Guests

Dennehy, Peter

DeClercq, Wendi

1. Call to Order

The meeting was called to order by Jeanne Cola, Chair at 8:35 a.m.

2. Approval of April 29, 2011 Minutes

Marilyn Kiesel moved acceptance of the minutes as submitted and Jim Reed seconded. Minutes approved.

Before moving on to the next agenda item, Jeanne took a moment to introduce Dr. Peter Simon, representing Ana Novas.

3. Report of the Chair

Jeanne introduced Mike Tondra who then discussed the following items:

Consolidated Homeless Fund - Annual applications have been submitted and are currently under staff review. The review committee will meet over the next couple weeks to draft award recommendations. This year, the Entitlement cities Pawtucket, Providence and Woonsocket included their Emergency Shelter/Solutions Grant allocations in this process.

Community Development Block Grant (CDBG) - CDBG annual applications have been submitted. Mike said that he anticipates the review process to be completed by early August.

Lead Program - A hearing was conducted on the proposed changes to the State's Lead law. Text will be provided to the Board, who will be asked to approve the final language at the September Housing Resources Commission (HRC) meeting.

Disaster Recovery Funding – Funding recommendations have been finalized. However, the awards announcements will be delayed until supplemental information from several applicants has been received. Mike then noted that there may be a second funding round due to the shortage of activities that were eligible and the number of applicants that were disqualified.

Interagency Council on Homelessness (ICH) – The State has signed a Memorandum of Agreement (MOA) with the Corporation for Supportive Housing, United Way, Rhode Island Foundation and Rhode Island Housing which will facilitate dedicated staff, Michelle Brophy, to further the objectives of the ICH.

On June 21st, the inaugural meeting of the ICH was held; most of the State Directors were present and they acknowledged the homelessness impacts to their agency. Mike then said that these ICH meetings will generally be held on a quarterly basis.

Building Homes Rhode Island (BHRI) Funding – As a reminder, as of earlier this year, all of the funding has been committed. Mike then said that several groundbreakings/ribbon cuttings have occurred over the past couple months including Stillwater, Community Works, Mercantile Block AS220, West Elmwood and Operation Stand Down. The HRC Executive Director has been on

the speaking program for these events to highlight the positive investment of State housing funds.

Budget – Mike said that the General Assembly released the final budget; which is consistent with the Governor’s budget. State funding for the Neighborhood Opportunities Program (NOP) has not been restored. However, the General Assembly required Rhode Island Housing (RIH) to fund the program in the amount of \$1.5M. The funds will be distributed in accordance with NOP regulations/guidelines. Susan Bodington added that RIH’s budget cycle mirrors the State’s budget; it begins July 1st. Susan said that the preliminary budget is scheduled to be presented before RIH’s Board in August.

At this time, Mike asked if anyone had any questions. Dr. Peter Simon asked if there is a commitment to share data collected among agencies of the ICH. In response, Mike said that the Council discussed data sharing. Each area has a data information system and the Council recognizes that there will be some obstacles for sharing the data; such as confidentiality and fire walls. However, they will make an effort to share the data.

4. BHRI-NOP Adjustments/Amendments – Process Discussion

Jeanne began by explaining the current process for project adjustments/amendments. To ensure that the Commission moves in the direction that is agreed upon, Jeanne and Mike asked the commission for their input on how to handle projects requiring adjustments/amendments going forward.

After a lengthy discussion, the Commission concluded that as long as the scope of the project remains the same (the number of units & funding), then it will be up to staff to approve the project adjustment/amendments. Anything outside of the scope involving additional funding or additional units, the Commission would review the project and make a decision. In the end, the Commission decided that a policy will be prepared and possibly considered during the next HRC meeting.

5. Announcements

Jeanne distributed the Housing Works Rhode Island June, 2011 Issue Brief (see attachment 1). The Brief discusses the Building Homes Rhode Island Bond and lists the accomplishments during the last four years.

Dr. Peter Simon suggested a future meeting to discuss the links between providing healthy housing and how it can have an impact on the costs of Medicaid & Medicare. He then suggested holding a future meeting to discuss ways to link database information.

Mike Tondra announced that a representative from HUD will be visiting to summarize the program objectives. The meeting will take place at One Capitol Hill in Conference Room A on Monday, June 27, 2011 from 9:00 a.m. – 3:00 p.m.

The next Housing Resource Meeting will be held on September 23, 2011 @ 8:30 a.m..

6. Public Comment Period

Wendi DeClercq, on behalf of Housing Works RI, said that if anyone would like additional Issues of the Brief, you may contact her or Housing Works RI.

7. Adjourn

As there were no further comments, the meeting adjourned at 9:20 a.m.

Attachment 1

Issue Brief



Building Homes Rhode Island The Housing Bond: Year Four Status Report

Building Homes Rhode Island (BHRI), the program established by the State's Housing Resources Commission (HRC) to distribute Rhode Island's housing bond, has just awarded its final year of funds. Approved in 2006 by a majority of voters in every city and town, BHRI has made it possible for low- and moderate-income families—many of whom represent critical occupations—to rent or buy a home in Rhode Island.

In its four years, BHRI helped create 1,255 affordable homes in 30 Rhode Island communities.* Since the first funds were distributed in July 2007, \$50 million have been awarded to affordable housing developers through a highly competitive process. This Issue Brief provides detailed information about the homes being built with funds received during the fourth—and final year—of the program (2010).

As of June 2011, no other funds have been committed by the State to continue funding affordable homes in Rhode Island.

* Many BHRI developments are still under construction.



BHRI and Long-Term Affordable Homes: An Economic Engine

BHRI is a well-designed program that has yielded significant economic benefits to our families and local economies. BHRI developments have allowed the rehabilitation of neglected and foreclosed properties, and encouraged sustainable design and construction, strengthening Rhode Island's green economy while revitalizing neighborhoods blighted by foreclosures.

In April 2010, HousingWorks RI commissioned an econometric impact study that allowed the estimation of the multiplier, or "ripple," effect of BHRI investments. The results were notable. **\$50 million of BHRI investments in Rhode Island have generated about \$800 million in total economic activity, multiplying nearly 16 times throughout our state's economy.¹** In addition to offering a return of \$16 per \$1 invested, BHRI has also supported nearly 6,100 jobs in Rhode Island, generating about \$300 million in wages, which workers use to purchase local goods and services and contribute to municipal and state economies.

Construction activity supported by BHRI has accounted for 53 percent of the total value of residential construction permitted in Rhode Island from 2007 to 2010.² In Rhode Island, construction and real estate industries have consistently accounted for about one fifth of our gross state product, and one in every 10 jobs in the state belongs to one of these two industries. It is evident that BHRI and affordable home development are key to Rhode Island's economic future.

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Funded in 2010: 333 Affordable Apartments

City/Town	Description	Amount of Bond Funding	Number of Bond-Funded Homes
Central Falls	11-13 and 15-17 Ledge Street – REACH, Inc. Two vacant buildings will be rehabilitated to provide six three-bedroom homes for lease to very low-and low-income households. ³	\$390,000	6 homes
Central Falls	112 Cowden Street – REACH, Inc. REACH will rehabilitate a vacant, foreclosed three-family property for lease to very low-income households.	\$195,000	3 homes
Central Falls	43 Garfield Street – REACH, Inc. Acquired with a Rhode Island Housing bridge loan, two existing garages will be demolished to construct a new duplex containing two three-bedroom apartments for low-income households.	\$130,000	2 homes
Coventry	Coventry Meadows – Coventry Housing Associates Corporation On four acres of vacant land, the developer will construct eight one-bedroom homes, 20 two-bedroom homes, and 16 three-bedroom homes for lease to low-income households.	\$2,360,000	44 homes
Cumberland	26 Carpenter Street – Cumberland Housing Authority Two vacant, foreclosed properties will be demolished to construct two three-bedroom homes for lease to very low-income households. REACH, Inc. will develop these homes for the Cumberland Housing Authority.	\$130,000	2 homes
Hopkinton	Rockville Mill – Rockville Mill, LLC A historic rope factory and its auxiliary building will be rehabilitated into 14 apartments for low-income households. The Portsmouth Housing Authority is providing 14 project-based vouchers.	\$129,213	Additional funds for 14 homes previously funded
North Kingstown	Belleville House – Church Community Housing Corporation This is the first phase of a planned 40-home development for very low-income elderly. A former church will be rehabilitated for the first 20 homes.	\$800,000	20 homes
North Smithfield	Marshfield Commons – NeighborWorks® Blackstone River Valley One 1-bedroom, 17 two-bedroom, and 20 three-bedroom apartments will be built for low and very low-income households on an infill site in a residential neighborhood. A historic property will also be rehabilitated.	\$716,529	38 homes
Pawtucket	Belmont Commons – The ARC of Blackstone Valley Five one-bedroom and five two-bedroom homes will be built for developmentally disabled, chronically mentally ill, and/or physically challenged very low-income households.	\$200,000	10 homes
Providence	26 Goddard Street – Smith Hill Community Development Corporation A foreclosed three-family property will be rehabilitated to provide three two-bedroom homes for lease to low-income households.	\$150,000	3 homes
Providence	32 Yale Avenue – Build Green, LLC A foreclosed, vacant property will be rehabilitated to provide two two-bedroom and one one-bedroom apartments for lease to very low-income households.	\$140,000	3 homes
Providence	43 Violet Street – Smith Hill Community Development Corporation A foreclosed two-family property will be rehabilitated to provide two two-bedroom homes for lease to low-income households.	\$100,000	2 homes
Providence	57 Brownell Street – Amos House Amos House acquired a fully furnished 14-bedroom rooming house in the Smith Hill area using a short-term Rhode Island Housing bridge loan and State HOME funds. Amos House will provide permanent supportive housing to 13 single adults with one to two children, and one low-income house manager.	\$560,000	14 homes
Providence	Around Public and Friendship – Stop Wasting Abandoned Property (SWAP), Inc. SWAP will rehabilitate eight vacant properties, of which three are historic, and construct two new buildings with six new apartments to provide 31 one, two, three, and four-bedroom apartments for very low and low-income households.	\$2,190,000	37 homes
Providence	Medina Village Apartments – Omni Development Corp. and Winn Development This scattered site development was acquired by Rhode Island Housing and will be sold to the developer to redevelop vacant, deteriorated buildings into 83 one, two, three, and four-bedroom apartments for low and very low-income households.	\$774,003	83 homes

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City/Town	Description	Amount of Bond Funding	Number of Bond-Funded Homes
Providence	Olney Village Apartments – Olneyville Housing Corporation OHC will rehabilitate seven foreclosed and abandoned buildings and three other properties. Five new buildings will be built and contain 12 rental units and a food bank. In total, 39 one, two, three and four-bedroom apartments will be provided to low and very low-income households.	\$163,315	39 homes
South Kingstown	Kenyon Terrace Apartments – Opportunities Unlimited A vacant two-building development will be rehabilitated to provide five one-bedroom units and one two-bedroom unit for very low-income households with at least one disabled member. House of Hope CDC will serve as the developer.	\$250,000	6 homes
Warwick	34-36 West Street – House of Hope Community Development Corporation In this rehabilitation and new-construction development, 11 one-bedroom and three two-bedroom homes will be leased to very low-income veterans who are homeless. A two-story building with two commercial spaces, a police substation, and 12 homes will be constructed. An existing two-family property will be rehabilitated into two one-bedroom homes.	\$130,000	2 homes
Woonsocket	96 Burnside – NeighborWorks® Blackstone River Valley Two vacant foreclosed properties will be rehabilitated to provide 21 one-bedroom and one two-bedroom units of permanent supportive housing for homeless men, including young men aging out of DCYF supervision.	\$360,000	9 homes
Woonsocket	Bailou Harris Housing – Ocean State Consortium A historic property acquired from the State, this development will provide 10 single-room-occupancy units for homeless veterans. Formerly a group home, this property has been vacant and boarded for over six years.	\$400,000	10 homes

Funded in 2010: 86 Affordable Ownership Homes

City/Town	Description	Amount of Bond Funding	Number of Bond-Funded Homes
Charlestown	Edwards Lane – Narragansett Affordable Housing Corporation Narragansett AHC will build seven single family three-bedroom homes for sale to moderate-income households. Intended sales price is \$200,000.	\$455,000	7 homes
Cumberland	39 Duchess Road – Habitat for Humanity, West Bay A property will be rehabilitated into a home affordable for 99 years. The home will be sold for \$75,000 to a very low-income family.	\$65,000	1 home
Jamestown	Jamestown Ownership – Church Community Housing Corporation A house will be rehabilitated and a garage will be demolished to build three three-bedroom homes, which will be sold to low-income families for \$150,000.	\$195,000	3 homes
Providence	10 Tobey Street – Providence Revolving Fund A foreclosed single family three-bedroom home will be rehabilitated and sold to a low-income household for \$140,000.	\$65,000	1 home
Providence	20 Newcomb Street – Habitat for Humanity, Greater Providence A single family four-bedroom home will be built and sold to a very low-income first-time homebuyer for \$125,000.	\$52,750	1 homes
Providence	30 and 34 Seabury Street – Habitat for Humanity, Greater Providence On a lot acquired from the Providence Redevelopment Agency, two single family four-bedroom homes will be built and sold to very low-income households for \$87,500.	\$105,500	2 homes
Providence	38 Burnside Street – Habitat for Humanity, Greater Providence A single family four-bedroom home will be built and sold to a very low-income first-time homebuyer. Sales price is \$125,000.	\$52,750	1 home
Providence	38-44 Veazie Street – Habitat for Humanity, Greater Providence Two three-bedroom homes will be built and sold for \$79,800 to low-income families.	\$69,100	2 homes

Funded in 2010: 86 Affordable Ownership Homes

City/Town	Description	Amount of Bond Funding	Number of Bond-Funded Homes
Providence	41 Whitmarsh Street – Providence Revolving Fund A single family 3-bedroom home will be rehabilitated and sold to a moderate-income household. This home will be listed with a local realtor.	\$52,291	1 home
Providence	173 Petteys Avenue – Olneyville Housing Corporation OHC will acquire this NSP land-banked foreclosed property and demolish it through the Providence Deconstruction Job Training Program. A single family three-bedroom home will be built and sold to a low-income household for \$140,000.	\$65,000	1 home
Providence	301 Swan Street – Habitat for Humanity, Greater Providence A single family four-bedroom home will be built for sale to a first-time very low-income family for \$87,500.	\$52,500	1 home
Providence	485 Pine Street – Stop Wasting Abandoned Property (SWAP), Inc. A two-family home will be rehabilitated and sold to a low-income household for \$159,000. A rental unit will be included for a very low-income household.	\$115,000	1 home
Providence	531 Union Avenue – Habitat for Humanity, Greater Providence A single family four-bedroom home will be built for sale to a first-time very low-income family. Intended sales price is \$87,500.	\$37,500	1 home
Providence	669 Public Street – Providence Revolving Fund A historic foreclosed duplex will be rehabilitated to provide a home for a low-income household for a sales price of \$122,617. The property will be listed with a local realtor.	\$50,000	1 home
Providence	Audrey Street Sites – Olneyville Housing Corporation Three dilapidated structures will be demolished and a two-bedroom single family home will be rehabilitated. On other lots on Audrey Street, OHC will construct five three-bedroom homes. These homes will be sold to low and very low-income families for prices ranging from \$76,000 to \$115,000.	\$260,000	6 homes
Providence	Townhomes at Trinity Place – Stop Wasting Abandoned Property (SWAP), Inc. SWAP was awarded additional funds to maximize the amount regulations will allow for 11 three-bedroom homes. Sales prices will range from \$129,000 to \$139,000 for moderate-income households.	\$15,000	Additional funds for 11 homes previously funded
South Kingstown	Old North Village – Habitat for Humanity, South County A property will be acquired through a property exchange with the University of Rhode Island and four single family homes will be built and sold to low-income households. Prices will range from \$110,000 to \$112,500.	\$170,000	4 homes
Warwick	101 Shamrock Drive – House of Hope Community Development Corporation A vacant single family three-bedroom home will be rehabilitated for sale to a low-income household, with a proposed sales price of \$155,000. The developer intends to list the property with a realtor.	\$36,453	1 home
West Greenwich	Victory Woods – Stop Wasting Abandoned Property (SWAP), Inc. Three-bedroom homes will be built and sold to low and moderate-income households. Prices will range from \$139,900 to \$229,000.	\$936,160	50 homes
West Warwick	70 Pond Street – Pawtuxet Valley Elderly/Community Housing Corporation A vacant, foreclosed three-bedroom single family home will be rehabilitated and sold to a low-income household for \$115,000.	\$65,000	1 home

What Has Been Funded from 2007 to 2010?

In its four years, the Building Homes Rhode Island program awarded \$50 million to 110 developments to create 1,255 affordable homes in 30 communities, helping to leverage over \$460 million from private and federal supplementary sources. Of the 1,255 affordable units financed, 1,002 will be rental homes, while 253 will be for homeownership. Bond funds for 2010 (fourth and last year of Building Homes Rhode Island) amount to another \$12.5 million for economic revitalization of our state and its communities through the development of affordable homes.



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References

¹ For detailed information on HHR's economic impact, see HousingWorks RI's Special Report: *Measuring the Economic Impact of Affordable Housing in Rhode Island*, available at www.HousingWorksRI.org.

² HousingWorks RI's analysis of U.S. Census Bureau's Manufacturing, Mining, and Construction Statistics building permit data for Rhode Island.

³ For a complete table of Area Median Incomes and income limits in Rhode Island, visit www.RhodeIslandHousing.org or retrieve the PDF from www.rhodeislandhousing.org/files/library/HUD_incomes_2010.pdf.